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October 24, 2002

By ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
TW-B204
Washington, DC 20554

Re: **Ex parte presentation**
WC Docket No. 02-314: Application of Qwest Communications International, Inc.
To Provide In-Region, InterLATA Services in the States of Colorado, Idaho,
Iowa, Montana, Nebraska, North Dakota, Utah, Washington and Wyoming

Dear Ms. Dortch:

On October 23, 2002, Randy Lowe and I of Davis Wright Tremaine LLP, on behalf of Touch America, Inc. ("Touch America"), met with Michael Carowitz, Kimberly Cook, Michael Engel, William Dever, Rodney McDonald and Gail Cowan of the Wireline Competition Bureau, to discuss Touch America's comments in the above-referenced proceeding. Although under protest by Touch America, the following Qwest representatives were also present at the meeting and responded to the matters raised by Touch America: Hance Haney of Qwest and Peter Rohrbach of Hogan and Hartson.

Pursuant to Section 1.1206(b) of the Commission's rules, 47 C.F.R. § 1.1206(b), and the Commission's Public Notice requesting comments in the above-referenced proceeding, DA 02-2438, issued September 30, 2002, attached please find a copy of the one-page summary of Touch America's opposition, which was distributed by Touch America during the meeting.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

Davis Wright Tremaine LLP

/s/

Julie Kaminski Corsig

cc: J. Myles (via e-mail)
M. Carowitz (via e-mail)
G. Remondino (e-mail and hand delivery)
R. Harsh (via e-mail)
J. Jewell (via e-mail)
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J. Orchard (via e-mail)
WUTC Records (via e-mail)
S. Oxley (via e-mail)
Y. Dori (via facsimile)

QWEST'S MOST RECENT 271 APPLICATION MUST BE DENIED AS A SHAM AND AS A MOCKERY OF THE FCC'S RULES AND THE '96 ACT

- **QLDC is a sham designed solely to circumvent the requirements of Section 272.**

Qwest has failed to show that QLDC has either the assets or the employees to run a 9-state long distance operation or, perhaps more importantly, where and how it will obtain the necessary facilities and personnel.

- **The Commission must make its Section 272 determination on the entity that will actually be providing the long distance service.**

- Qwest's Application makes clear that once Qwest puts its books in order, QCC will be the entity to provide long distance services. QCC clearly fails to meet the requirements of section 272.
- The consultative state role has been bypassed as the states have been denied the opportunity to evaluate QLDC as the long distance affiliate.

- **The creation of QLDC does nothing to cure the fact that all of the Qwest companies – including QC – are not GAAP compliant and afflicted by corrupt policies and controls.**

- Qwest's accounting policies and controls as well as the implementation of those policies and controls – which are currently under review by Qwest, the SEC and the Criminal Division of the Justice Department – are endemic to all of Qwest's entities and therefore must also apply to QLDC. QLDC cannot therefore demonstrate that it does or will comply with GAAP in the future.
- It is impossible to ensure “a uniform audit trail” between QLDC and QC, QCC or other entities.
- It is impossible to determine whether QC or QLDC are engaged in unlawful cross-subsidization or discrimination both of which are at the heart of Section 272.

- **In addition to its other bad acts and against public policy, Qwest has and continues to “knowingly and intentionally” violate the law and, in the process skewed the basis for its Application.**

- As determined by the Minnesota Public Utilities Commission, Qwest has “knowingly and intentionally” violated Section 252 of the Act by failing to file certain “secret” agreements with the state commissions or make them available to other competitors. Nevertheless, Qwest has still not filed all of the “secret” agreements.
- Because such agreements were discriminatory, the basis for Qwest's Application, which includes data derived from those agreements, is tainted and skewed.

- **At minimum, the Commission must await the outcome of all the accounting investigations of Qwest's financial statements as well as the filing of all of Qwest's 251 agreements.**